

(continued)

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
<u>Expenditures:</u>		
Benefits	\$3,452,132	\$3,935,430
<u>Funding:</u>		
General Fund (01)	\$3,452,132	\$3,935,430
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	(\$3,452,132)	(\$3,935,430)

LONG-RANGE IMPACTS:

The supplemental contribution paid to amortize the past service liabilities for the university system members will increase in each year until the majority of university employees are participating in the Optional Retirement Plan. After 2007, supplemental contributions to the Teacher's Retirement System will increase at the same rate that salaries increase. Supplemental contributions through 2007 are estimated as follows:

FY 2004	\$4,368,327
FY 2005	\$4,717,794
FY 2006	\$4,953,683
FY 2007	\$5,201,368